

STATE OF IOWA  
DEPARTMENT OF COMMERCE  
UTILITIES BOARD

IN RE:  U S WEST COMMUNICATIONS, INC.	DOCKET NO. RFU-99-1 (RPU-96-2)
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**ORDER REJECTING REFUND PLAN  
AND REQUIRING REVISED PLAN**

(Issued May 28, 1999)

On April 30, 1999, U S West Communications, Inc. (U S West), filed a refund plan related to the rates approved by the Utilities Board (Board) in Docket No. RPU-96-2 for single line integrated services digital network (ISDN) service. The refund proceeding was identified as Docket No. RFU-99-1. The compliance tariff from Docket No. RPU-96-2 was identified as TF-99-128, and was approved to be effective on May 17, 1999.

Under U S West's refund plan, refunds will be made to current customers receiving single line ISDN flat service and measured, with usage allowance, service during the period from July 12, 1996, to November 7, 1998, when U S West's price plan, approved by the Board in Docket No. RPU-98-4, became effective. The refund plan also provides only for refunds in the form of credit adjustments to customers' monthly bills.

On May 7, 1999, the Consumer Advocate Division of the Department of Justice (Consumer Advocate) filed an objection to U S West's proposed plan.

Consumer Advocate objected to terminating the refund obligation on November 7, 1998, rather than the date when the new rates would become effective. Consumer Advocate argued that U S West's corporate undertaking in Docket No. RPU-96-2, approved by the Board, provides that refunds will cover the period ending when final rates become effective. Consumer Advocate also noted that U S West's tariffs for single line ISDN show the rates were subject to refund in Docket No. RPU-96-2 and were not revised as part of the price plan filing.

For the reasons stated by Consumer Advocate, the Board concludes that U S West's refund obligation ended on May 16, 1999, and not the earlier date in the U S West refund plan. In addition, the refunds must be extended to all customers who purchased single line ISDN service at rates higher than final rates, regardless of whether they are current customers. Finally, current customers receiving refunds must be given the option of a credit on monthly billings or a direct payment.

**IT IS THEREFORE ORDERED:**

1. The refund plan filed by U S West Communications, Inc., on April 30, 1999, in refund proceedings identified as Docket No. RFU-99-1, is rejected.
2. On or before ten days after the issuance of this order, U S West shall file a revised refund plan that provides refunds for the period of July 12, 1996, through May 16, 1999. The plan must include refund provisions for all customers who during the refund period purchased single line ISDN service at rates higher than the final rates approved in Docket No. RPU-96-2. The revised plan must give current customers receiving refunds a choice of a direct payment or a monthly billing credit.

**UTILITIES BOARD**

/s/ Allan T. Thoms

/s/ Susan J. Frye

ATTEST:

/s/ Raymond K. Vawter, Jr.  
Executive Secretary

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Dated at Des Moines, Iowa, this 28th day of May, 1999.